

REMARKS

Applicant has carefully reviewed the Office Action dated May 18, 2006. Reconsideration and favorable action is respectfully requested.

The Examiner has basically withdrawn the rejection in the previous case of *Parry* in view of *Janning* as it is a typographical error. The Examiner has made this withdrawal to clarify the record but has basically reiterated all rejections in the case.

In addition, the Examiner has made some comments with respect to the arguments Applicant provided for the rejection of *Perkowski* in view of *Borecki*.

The Examiner's objections were primarily set forth in paragraph 4. In paragraph 4, the Examiner indicated that the deficiency in *Perkowski* is the application of this system to a credit card based system. The Examiner stated that "*Borecki* teaches a network based system for retrieving personal account information." Although noting that Applicant's distinction was that the MRC as required by the prior art requires two purposes, one for being associated with a secure server and one for being associated with personal account information and that distinction, as set forth by the Examiner, is not persuasive to the Examiner. The Examiner's basis was that "the claim language does not *preclude* an MRC having both account identifying information as well as authentication information." Applicant believes that this is an incorrect standard for showing a motivation, suggestion or teaching to combine two references.

It is well settled that, in order to properly reject a claim for obviousness, the PTO must first establish a *prima facie* case. Once the PTO has established such a *prima facie* case, the burden then shifts to the Applicant to provide sufficient evidence of non-obviousness to successfully rebut such a *prima facie* case. One of the more recent cases as set forth by the Federal Circuit is *In re Kahn*, 441 F.3d, 977 (Fed. Cir. 2006), in which the Federal Circuit provided a tutorial on the standards to be applied in determining non-obviousness when

combining references. The Court in *Kahn* noted that most inventions arise from a combination of old elements and that each element may often be found in the prior art. “However, mere identification in the prior art of each element is insufficient to defeat the patentability of the combined subject matter as a whole.” (*Kahn at 986*). It is not the fact that the claim does not preclude the MRC having both accounting identification information as well as authentication information but, rather, the question is whether one skilled in the art would combine these two references. To do this, the Examiner must show that there is a motivation to combine the two references. The Examiner has merely stated that an artisan of ordinary skill in the art having the system of *Perkowski* for remotely and automatically retrieving information related to a coded information would know, when applying the system to a credit card based information retrieval system, to incorporate into the MRC the necessary identifying and authentication information, if required, in order to retrieve that data. There is nothing in *Perkowski* or *Borecki* that in any way suggests such a statement. As such, without some explanation of the Examiner’s position, Applicant believes that a *prima facie* case has not been provided.

In *Kahn*, the Court set forth that, “to establish a *prima facie* case of obviousness based on a combination of elements disclosed in the prior art, the Board must articulate the basis on which it concludes that it would have been obvious to make the claimed invention. *Id.* In practice, this requires that the Board ‘explain the reasons one of ordinary skill in the art would have been motivated to select the references and to combine them to render the claimed invention obvious.’” The court further went on to state that this “entails consideration of both the ‘scope and content of the prior art’ and ‘level of ordinary skill in the pertinent art’ aspects of the Graham test.” (*Kahn at 986*). Applicant believes that the Examiner has not made such a showing and, as such, Applicant believes that the Examiner has not met the *prima facie* standard for showing that there is a motivation, teaching or suggestion to combine these two references.

Applicant has not provided any comments with respect to the remaining rejections, as the rejections in the prior office action have apparently not been addressed by the Examiner. As soon as these are addressed, Applicant will respond accordingly.

Applicant has now made an earnest attempt in order to place this case in condition for allowance. For the reasons stated above, Applicant respectfully requests full allowance of the claims as amended. Please charge any additional fees or deficiencies in fees or credit any overpayment to Deposit Account No. 20-0780/PHLY-25,338 of HOWISON & ARNOTT, L.L.P.

Respectfully submitted,
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